

D.T.E. 01-34 March 14, 2001

Investigation by the Department of Telecommunications and Energy on its own motion pursuant to G.L. c. 159, §§ 12 and 16, into Verizon New England Inc. d/b/a Verizon Massachusetts' provision of Special Access Services.

VOTE AND ORDER TO OPEN INVESTIGATION

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I. INTRODUCTION

In this Order, the Department of Telecommunications and Energy ("Department") opens an investigation into Verizon New England Inc. d/b/a Verizon Massachusetts' ("Verizon") provision of special access services pursuant to M.D.T.E. No. 15.

II. BACKGROUND

Over the past six months, the Department has received a number of informal complaints concerning Verizon's special access services.⁽¹⁾ Carriers contend that Verizon quotes extremely long intervals for provisioning, fails to meet these extended intervals, fails to keep carriers informed of the status of their orders, and has maintenance and repair problems with existing special access services. In addition, the issue of Verizon's problems provisioning special access services was raised in the Section 271 proceeding, even though special access services is not a Section 271 checklist issue. Although the

Department declined to address special access services in its evaluation of Verizon's Section 271 application⁽²⁾, several competitive local exchange carrier raised problems with special access services in their comments to the FCC. These problems include problems providing high capacity trunks, lack of SONET interoffice facilities, and lack of switch ports. Comments of Global Crossing North America, Inc. at 4 (February 6, 2001).⁽³⁾ Carriers contend that the lack of timely provisioning causes increased call blockage for carriers' customers, and causes carriers to incur increased costs to terminate calls through alternate vendors and to forego customer revenues (*id.* at 4-5).

According to the complaints, Verizon's delays in provisioning special access services, coupled with maintenance and repair problems, are causing severe customer impacts with adverse business consequences. On February 13, 2001, AT&T briefed Department staff about the customer impacts. The Department heard from one end-user customer that attributed Verizon's lack of reliability as one cause for it to move some of its business out of state. Another end-user customer stated that Verizon's delays are negatively impacting its move to internet business. The anecdotal evidence raised through the informal complaints is supported by the fact that the New York Public Service Commission is currently investigating Verizon's special access services. See Proceeding to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc., Order Instituting Proceeding, Case 00-C-2051 (November 24, 2000).

The Department has attempted to resolve these complaints through informal discussions with Verizon. However, this issue does not appear to be amenable to resolution through informal means. Therefore, the Department deems it necessary to investigate these complaints through a formal investigation. Accordingly, the Department finds, pursuant to G.L. c. 159, §§ 12 and 16, that a proceeding should be instituted to investigate Verizon's provision of special access services in Massachusetts. The purpose of this investigation is to determine through presentation of evidence: (1) whether Verizon's special access services are unreasonable under G.L. c. 159, § 16; and (2) if so, what steps Verizon should be required to take to improve its special access services.

III. PROCEDURAL SCHEDULE

The Secretary of the Department will publish notice as directed in the ordered section of this Order. In addition, Verizon is required to provide notice to all its special access services customers. Petitions to intervene will be accepted until 5:00 p.m. on Thursday, March 29, 2001. The Department will hold a public hearing at 10:00 a.m. on Wednesday, April 4, 2001 at its offices at One South Station, Boston, Massachusetts, 02110. The public hearing will be followed immediately by a procedural conference, at which time a schedule for this investigation will be established.

IV. VERIZON REPORT ON SPECIAL ACCESS SERVICES

Verizon is hereby required to file, within 30 days from the date of the public hearing, a comprehensive report on its special access services. The report shall contain data on

Verizon's provisioning, and maintenance and repair performance over the past year. In addition, the report shall include an analysis of the results that shows why such performance is, in Verizon's opinion, reasonable, as well as a discussion of Verizon's plans to address special access problems. Interested parties will have an opportunity to comment on Verizon's report once filed with the Department.

V. VOTE AND ORDER

Accordingly, the Department hereby

VOTES: To open an investigation into Verizon's provision of special access services; and it is

ORDERED: That Verizon files, within 30 days from the date of the public hearing, a comprehensive report on its special access services, containing the information set forth in this Order; and it is

FURTHER ORDERED: That within seven days of the date of this Order, the Secretary of the Department shall publish the accompanying notice in all statewide and regional newspapers of daily circulation; and it is

FURTHER ORDERED: That within seven days of the date of this Order, Verizon provide the accompanying notice to all of its special access services customers.

By Order of the Department,

James Connelly, Chairman

W. Robert Keating, Commissioner

Paul B. Vasington, Commissioner

Eugene J. Sullivan, Jr., Commissioner

Deirdre K. Manning, Commissioner

1. Special access services consist of non-switched dedicated line services, and are used by interexchange carriers to connect their customers to the carrier's point of presence for the exchange of long distance traffic. Special access services are also used to transmit high speed data.

2. The Department stated that "we note that the [Federal Communications Commission ("FCC")] does not consider the provision of special access services for purposes of determining compliance with [the section 271 checklist]." Massachusetts Department of Telecommunications and Energy Evaluation of Verizon-Massachusetts Section 271 Application, at 339, CC Docket No. 00-176 (October 16, 2000).

3. In the Matter of Application by Verizon New England, Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), and Verizon Global Networks, Inc., for

Authorization to Provide In-Region, InterLATA Services in Massachusetts, CC Docket
No. 01-9.